DOCUMENT RESUME

ED 374 744 HE 027 750

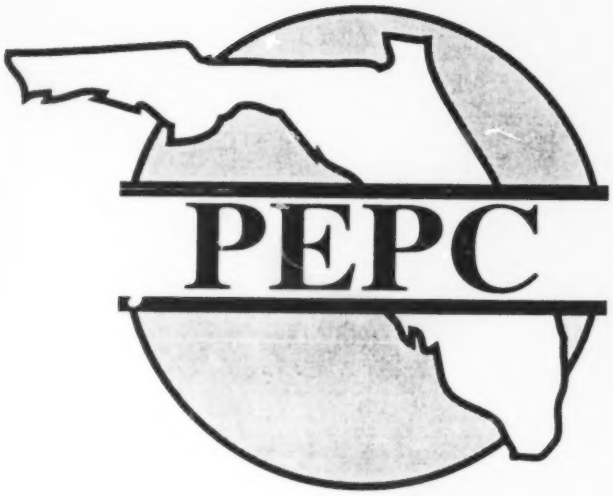
TITLE	How Floridians Pay for College. Report and Recommendations of the Florida Postsecondary Education Planning Commission. Prepared in Response to Specific Appropriation 417B of the 1993 General Appropriations Act, Chapter 93-184, Laws of Florida. 1993-Report 4.
INSTITUTION	Florida State Postsecondary Education Planning Commission, Tallahassee.
PUB DATE	Jun 94
NOTE	32p.
PUB TYPE	Reports - Research/Technical (143)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Access to Education; *Educational Policy; Family Income; Higher Education; Money Management; Need Analysis (Student Financial Aid); *Parent Financial Contribution; *Paying for College; State Programs; *Student Costs; *Student Financial Aid; Undergraduate Study
IDENTIFIERS	*Florida

ABSTRACT

This study examines the financial characteristics of students attending Florida's colleges and universities and how they pay for their education, based on a survey of more than 8,500 resident families with students enrolled in Florida colleges or universities during 1992-93. The study addresses the cost of Florida higher education, family income and financial aid status, savings behavior, family contributions, gift aid, and planned future support. The report identifies conclusions, policy questions, and recommendations for consideration by state policy makers. The study found that: in 1993-94, Florida ranks 44th nationally in tuition and fees charged to undergraduate residents at public institutions; that access to postsecondary learning is at jeopardy for low income Floridians; and the State's commitment to need-based aid has not kept pace with increases in eligible applicants; and that almost 70 percent of Florida families are not saving for college. Recommendations focus on increasing need-based aid, increasing tuition charges at public colleges to at least the national average, expanding Florida Resident Access Grants and academic program contracting, attending to income and ethnic characteristics of recipients of merit-based aid, making the financial aid process more user friendly, encouraging increased commitment to family savings, and holding debt burdens to acceptable and financially viable levels. Appendixes provide a statistical summary of findings and a description of the research methodology. (JDD)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 374 744



HOW FLORIDIANS PAY FOR COLLEGE

PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Florida Postsecondary Education Planning Comm

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC).

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

HE 027 757

Report and Recommendations of the Florida Postsecondary Education Planning Commission

1993 - REPORT 4

BEST COPY AVAILABLE

POSTSECONDARY EDUCATION PLANNING COMMISSION

H. Clyde Hobby, Chairman
New Port Richey

Richard C. Alterman
Opa Locka

Inez W. Bailey
Niceville

Ivie R. Burch
Panama City

Vilma T. Diaz
Margate

Sally M. Gillespie
New Smyrna Beach

Thomas J. Haynes
Tallahassee

Ramiro Inguanzo
Tallahassee

Robert B. Mautz
Gainesville

Karen L. Plunkett
Orlando

F. Michael Roberts
Fort Myers

Mark K. Wheeler
Fort Lauderdale

William B. Proctor, Executive Director

The Postsecondary Education Planning Commission, initially created by executive order in 1980 and subsequently given statutory authority (SS 240.145 and 240.147, Florida Statutes), serves as a citizen board to coordinate the efforts of postsecondary institutions and provide independent policy analyses and recommendations to the State Board of Education and the Legislature. The Commission is composed of 11 members of the general public and one full-time student registered at a postsecondary education institution in Florida. Members are appointed by the Governor with the approval of three members of the State Board of Education and subject to confirmation by the Senate.

The major responsibility of the Commission is preparing and updating every five years a master plan for postsecondary education. The enabling legislation provides that the Plan "shall include consideration of the promotion of quality, fundamental educational goals, programmatic access, needs for remedial education, regional and state economic development, international education programs, demographic patterns, student demand for programs, needs of particular subgroups of the population, implementation of innovative educational techniques and technology, and the requirements of the labor market. The capacity of existing programs, in both public and independent institutions, to respond to identified needs shall be evaluated and a plan shall be developed to respond efficiently to unmet needs."

Other responsibilities include recommending to the State Board of Education program contracts with independent institutions; advising the State Board regarding the need for and location of new programs, branch campuses and centers of public postsecondary education institutions; reviewing public postsecondary education budget requests for compliance with the State Master Plan; and periodically conducting special studies, analyses, and evaluations related to specific postsecondary education issues and programs.

Further information about the Commission, its publications, meetings and other activities may be obtained from the Commission office, 231 Collins Building, Department of Education, Tallahassee, Florida, 32399-0400; telephone (904) 488-7894; FAX (904) 922-5388.

POSTSECONDARY EDUCATION PLANNING COMMISSION

HOW FLORIDIANS PAY FOR COLLEGE

Prepared in Response to
Specific Appropriation 417B
of the 1993 General Appropriations Act
Chapter 93-184, Laws of Florida

1993 - Report 4

June, 1994

TABLE OF CONTENTS

EXECUTIVE SUMMARY i

I. OVERVIEW. 1

II. THE COST OF COLLEGE 1

Tuition
Total Costs by Sector and Student Status
Cost to the State

III. SOURCES OF AID 4

IV. ACCESS TO COLLEGE: WHO ARE OUT STUDENTS? 4

Dependent Students and Their Parents
Independent Students

V. HOW FLORIDIANS PAY FOR COLLEGE 6

Family Contribution
Savings

VI. FINANCIAL AID 9

Who Applies?
Grant Aid
Loans

VII. SUMMARY 13

Key Findings and Recommendations

APPENDIX A Florida Family Funding Survey
Key Findings
APPENDIX B Methodology

EXECUTIVE SUMMARY

Background

Policy of the State of Florida (S. 240.105(1), F.S.) is committed to enabling students of all ages, backgrounds and levels of income to participate in postsecondary education. ***Challenges, Realities, Strategies: The Master Plan for Florida Postsecondary Education for the 21st Century*** recognized that educational opportunity is essential to a prosperous and competitive Florida and emphasized the importance of quality educational opportunities available at affordable cost to citizens of Florida. While the economic circumstances of both the State and families have significantly changed in recent years, relatively little is known about the financial characteristics of those who attend Florida's colleges and universities and how they pay for their education. In this study, ***How Floridians Pay for College***, we begin to answer these crucial questions and consider the implications for all Floridians. The study was based on a survey of more than 8,500 resident families with students enrolled in a Florida college or university during 1992-93.

Access to postsecondary learning is at jeopardy for low income Floridians

Key Findings and Recommendations

Analysis of the findings identified four areas--access, cost, financial aid, and savings and loans -- where action is needed.

Access

- Access to postsecondary learning is at jeopardy for low income Floridians who pay a much greater share of their income and incur significantly more debt for their education than those with relatively higher incomes. This is true even after taking into account grant aid provided from all sources--federal, state and institutional.

- There is a direct correlation between economic status and college enrollment and completion.

- The survey results refute the notion that the private college sector is exclusively limited to the well-to-do. The family income characteristics of resident students attending public and private four-year colleges in Florida do not differ significantly.

Recommendation

1. *Funding for need-based aid should rise to a level to adequately serve all qualified applicants with awards that keep pace with the cost of education. Any increase in need-based aid should not be at the expense of the State's merit programs.*

Cost

- Florida ranks 44th nationally in tuition and fees charged to undergraduate residents at public baccalaureate institutions. These fees ($1,765 annually) are more than $1,000 less than the national average for 1993-94.

- Even with state subsidized programs such as the Florida Resident Access Grant for the private sector, Florida students enrolled in private colleges and universities cost the State significantly less than those enrolled in the public institutions.

Recommendations

2. *A schedule for moving tuition charges in the public sector to at least the national average within the next five years should be adopted. Parents and students should be able to plan for these increases with the expectation that they will pay a reasonable share of educational costs based on their financial ability to pay. Increased tu-*

ition revenues should not be used to supplant existing state support. Instead, a significant share of any increased revenue should be used for need-based financial aid to encourage access. Current trends suggest that increasing public sector tuition should reduce the growing gap between public and private college charges with the potential for enhancing student choice.

3. The State should promote access to postsecondary education through greater use of the independent sector by expansion of such strategies as the Florida Resident Access Grants and academic program contracting.

Financial Aid

• The State's commitment to need-based aid has not kept pace with increases in eligible applicants and does not reflect the statutory priority placed on this form of assistance. While actual dollars for need-based aid have grown, the proportion of state financial aid dedicated to need has declined from 54 percent to 39 percent over the past ten years.

The State's commitment to need-based aid does not reflect the statutory priority placed on this form of assistance.

• Florida is without equal in its support for merit aid. Florida's merit programs represent over 30 percent of all state funded merit aid nationwide. In 1992-93, the Undergraduate Scholars Program provided awards to 30.5 percent of the Florida residents entering the State University System.

• Significant numbers of Florida families and students likely to receive financial aid are not applying. Primary reasons cited were lack of knowledge of aid availability and difficult procedures for applying for assistance.

Recommendations

4. Florida's merit-based aid programs require immediate attention with regard to the income and ethnic characteristics of the applicants and recipients and the extent to which the programs are meeting their stated objectives.

5. An examination is needed of the format and content of financial aid information as well as the methods used to distribute information through both the K-12 and postsecondary systems. In addition, a renewed effort to make the financial aid application process more user-friendly is essential.

Saving and Loans

• Almost 70 percent of Florida families surveyed are not saving for college.

• Dependence on loans to students and parents to finance access to postsecondary education is mushrooming. Between 1990 and 1993, total dollars borrowed through guaranteed student loans in Florida more than doubled. Graduates may be burdened with levels of debt that are not viable given the current labor market.

Recommendations

6. The Prepaid College Program should continue its efforts to encourage increased commitment to savings by families in all economic categories including those with low incomes. Any perceived or real disincentives for savings found in existing financial aid policies should be removed.

7. An assessment of the loan indebtedness of students in all postsecondary sectors should be undertaken and strategies identified to hold debt burden to acceptable and financially viable levels in view of current labor market conditions. This should be a cooperative effort involving the Commission, the postsecondary sectors, the Office of Student Financial Assistance and the Council of Student Financial Aid Advisors.

I. OVERVIEW

How much and how do Floridians pay for their higher education? To what extent are families saving for college? Who applies for financial aid and who receives it? Will students and their families be able to keep up with rising college costs without incurring unmanageable debt? Is the State fulfilling its role in assuring access and choice for its students? Is the current balance between need-based and merit-based aid appropriate?

These and other questions led to a study of more than 8,500 state residents enrolled in a Florida college or university during 1992-93, and the results challenge our conventional wisdom about the costs of higher education and raise questions regarding future funding. Many families who are potentially eligible for financial aid are not applying. Less than one-third of all families saved any money for their children's education, and half of all families say they will not be able to keep pace with rising costs through degree completion.

This document reports study highlights that address the cost of Florida higher education, family income and financial aid status, savings behavior, family contributions, gift aid and planned future support. The report also identifies conclusions, policy questions and recommendations for consideration by state policy makers. Appendix A provides a statistical summary of findings about dependent students (students under age 24) and independent students (students age 24 or older, or those deemed financially self-sufficient for financial aid purposes). Appendix B provides additional background on the study and a description of the research methodology. A copy of the complete technical report prepared by the study consultant is available, upon request, from the Commission.

II. THE COST OF COLLEGE

This issue can be addressed from several perspectives: tuition charges; the total costs borne by students and their families; and, finally, the annual cost to the State to educate a student.

Tuition

Florida is a low tuition state, particularly for resident undergraduate students. In 1993-94, state university charges ($1,765) ranked 44th in the country. Resident community college fees ($1,030) ranked 31st.

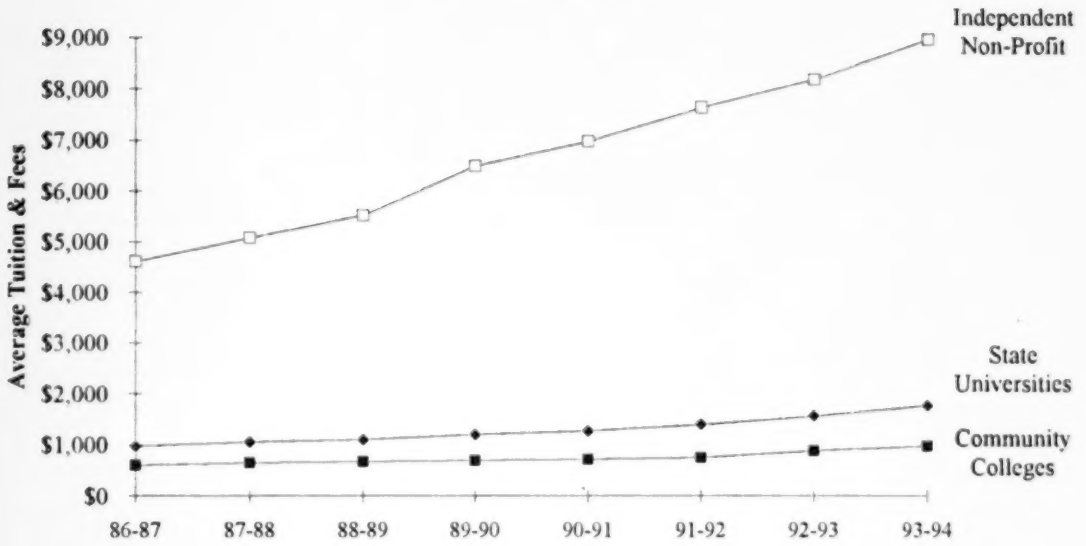
Average tuition at Florida's independent colleges was $8,962. **Figure 1** displays growth in these charges by sector over the past eight years. It should be recognized that tuition is only a fraction of the total cost of college faced by prospective students.

Total Costs by Sector and Student Status

For both dependent and independent students, college attendance costs, which include tuition, fees, books, transportation and incidental living expenses, differ substantially by sector. For full-time dependent students living away from home, the average cost of attending a community college was $6,954, compared with $8,082 at state universities and $14,924 for those attending private colleges. For full-time dependents living with their parents, average attendance costs (excluding room and board) were $3,051 at community colleges, $4,325 at state universities and $12,415 at private colleges. For full-time independent students, average attendance costs (excluding room and board) were $3,301 at community colleges, $4,736 at state universities and $9,690 at private colleges.

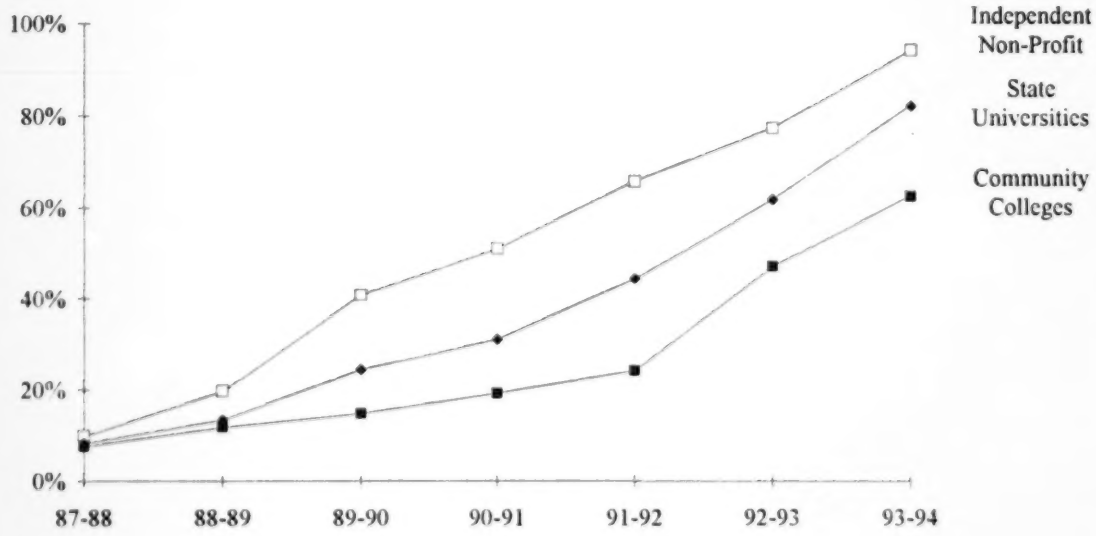
FIGURE 1

DOLLAR INCREASE IN AVERAGE TUITION AND FEES BY SECTOR, 1986-87 TO 1993-94



SOURCE: Office of Student Financial Assistance, 1994.

PERCENTAGE INCREASE IN AVERAGE TUITION AND FEES BY SECTOR, 1986-87 TO 1993-94



NOTE: Percent change calculated from 1986-87 base year.
SOURCE: Office of Student Financial Assistance, 1994.

These differences represent an average price gap of $6,400 - $8,000 between private colleges and public universities and a gap of $1,000-$2,500 between the state universities and community colleges. For both dependents and independents, the costs of college attendance substantially influence how families actually pay for college, including how much students and parents contribute through current earnings, the amount of aid students receive, the total levels of debt families must assume, and possibly the extent to which families save for college.

Cost to the State

Finally, what is the total annual cost to the state to educate a postsecondary student? This figure can vary depending on a variety of factors including the program and level of instruction, the number of hours taken, and where the program is offered. Sector cost reports based on average instructional costs and related academic support expenditures yield the estimates for undergraduate instruction in 1992-93 displayed in **Figure 2.** Such items as capital outlay and equipment depreciation, state student assistance and other institutional expenditures are not included which would significantly affect cost calculations.

Another perspective on cost is the amount appropriated by the Legislature per student. Although the community college funding process used this year was not based on a fixed amount per student, the new funding methodology used by the 1994 Legislature for the State University System did contain this feature for enrollment growth. For 1994-95, the university system average funding appropriated (excluding tuition) for a full-time (40 credit hours) undergraduate student is approximately $5,800. This includes funding for instruction, research and public service, the three primary public university missions.

Comparable cost information for the private colleges is not available. However, the primary state expenditures specifically for undergraduate students in this sector are the Florida Resident Access Grant (Tuition Voucher) and tuition reduction grants through academic program contracts in certain high demand fields such as nursing and engineering. The value of the Resident Access

FIGURE 2

NET UNDERGRADUATE COST BY SECTOR
1992-93

	30 CREDIT HOURS		40 CREDIT HOURS	
	SUS	CC	SUS	CC
Lower Level	$2,347	$2,045	$3,129	$2,729
Upper Level	$3,813	N/A	$5,084	N/A

NOTE: Includes allocated expenditures minus resident fees and non-State resources.

SOURCE: Board of Regents and State Board of Community Colleges

Grants is estimated at $1,090 per student for 1994-95. The academic program contracts are generally limited to those programs whose costs are equal to or lower than comparable programs in the public sector.

III. SOURCES OF AID

The survey requested information on all sources of financial assistance received by the respondents. In addition to family contributions and savings, student financial aid is provided through a variety of programs at the federal, state, and institutional level. An appreciation of the scope and variety of these aid programs can be gained from summary information maintained at the State level. The State University System has compiled student financial aid data by source and type of award for a number of years. Unfortunately, comprehensive information of this nature is not readily available for the community colleges or the independent sector. Nevertheless, the state university data illustrate the volume and type of aid resources available. In 1992-93, State University System students received $346,855,182 in student aid. The majority of this was in the form of loans ($187,173,664), most of which were provided or authorized at the federal level. Grants totaling $92,730,180 and $58,660,199 in scholarships were the next largest sources, with student employment (through federal and state work study programs) generating $8,291,139.

IV. ACCESS TO COLLEGE: WHO ARE OUR STUDENTS?

Dependent Students and Their Parents

For the three systems (state universities, community colleges, independent colleges and universities) combined, the education attainment of parents of dependent students is substantially higher than for Florida's adult population as a whole. According to the 1990 Census, less than 25 percent of all Floridian adults have a college degree, while only 18 percent have a bachelor's degree or higher. By contrast, 52 percent of all parents of dependents attending Florida colleges and universities have a college degree and 39 percent have at least a Bachelor's degree.

Regardless of education attainment, virtually all parents of dependent college students expect their son or daughter to earn a degree. Ninety-two percent of the respondents expected the student to earn a bachelor's (4 year degree), and six percent an associate's (2 year community college degree). Moreover, nearly 86 percent expect their children to complete their undergraduate education within five years from when they start.

To help defray the costs of attendance, nearly half of all students live with their parents while attending college. Student living arrangements, however, differ sharply by type of institutions: among dependents who attend community colleges, 84 percent live at home compared with 33 percent of all dependents attending public and private baccalaureate granting institutions.

For resident dependents who attended Florida's private baccalaureate institutions, median family income is estimated at $45,850, compared to $50,750 for students who attended public four-year institutions and $36,780 for dependents attending Florida's community colleges. In comparison, the 1991 median family income for all Florida families with college-age children was $45,500. Compared with public four-year institutions, the private sector has a greater proportion of families with incomes above $90,000 and below $30,000. For the public four-year system as a whole, more than 36 percent of all dependents came from families with incomes above $65,000 and 20 percent from families with incomes under $30,000.

Differences in student family incomes strongly reflect differences in family composition and parent labor force status. For example, less than 37 percent of two parent families with incomes under $30,000 report both parents working full-time, compared with 59 percent for two parent families with incomes above $60,000. Similarly, the proportion of dependents from single parent

families is five times greater for those with incomes under $30,000 than for those above $60,000. These findings imply that dependents do not simply come from identical sets of families, some rich and some poor. Rather, the differing financial circumstances of students often stem from dissimilar family compositions. This raises questions about the financial preparedness of future students, given the rapid increase in single parent families.

Independent Students

Relative to dependents, independent students represent a more diverse population in terms of family composition, labor force participation, credit loads, and age. During the 1992-93 academic year, the median age for all independent students was 32. Despite being classified as financially self-sufficient, 18 percent of all independent students live with their parents, with a slightly larger proportion of males living at home than females.

A majority of independent students face limited opportunity for financial aid because they enroll for less than a full-time load.

Irrespective of family background, the overwhelming majority of independent students share the common objective of a college degree. For the three systems combined, 95 percent of all independent students seek a degree with nearly 82 percent seeking a Bachelor's degree and eight percent seeking an Associate's degree. In contrast with dependent students, slightly more than 40 percent of all independent students come from families where a parent has earned a college degree.

For a majority of independent students, college attendance competes against the responsibilities of family and employment. More than 61 percent of all female independent students are parents and of those, 39 percent are single parents. Similarly, more than 80 percent of all independent students work while attending college and 56 percent work full-time. Independent students are therefore more likely to stop-out and much more likely to take a reduced credit load. Fewer than one-third of all independent students attend college full-time while 20 percent take less than a half-time load. As a result, independent students often require an extensive amount of time to complete their undergraduate education. Among those independent students attending public and private four-year institutions, one-half first began their education at least eight years earlier. Based on when they began college and their current age, more than one-half of all independent students started their college education as dependent students.

The 1991 median family income of the independent students who attended Florida's private colleges during the 1992-1993 academic year is estimated at $27,000, compared to $21,125 for students who attended public four-year institutions and $19,700 for independents attending Florida's community colleges. For the independent population as a whole, median family income is estimated at $23,960, approximately $4,100 below the 1991 household median for all Floridians.

As with dependents, differences in family income by sector are largely due to student marital status and age. Overall, married independent students have a median income of $37,630, compared with $14,000 for single independents. Married independents age 40 and older have a median family income of $42,930 compared with $35,720 for their younger counterparts. For the three systems combined, more than one-fourth of all independent students had family incomes

of $40,000 or higher. Because the likelihood of having children rises with age and marital status, higher family income does not necessarily translate into greater availability of resources to pay for college.

Policy Issues

- The degree aspirations of both dependent and independent students and expected time to completion are not reflected by actual performance. For example, while virtually all parents of full-time public university dependents expect their children to earn a degree, nearly half do not graduate within six years. It is crucial for the state and institutions to better understand the causes of this discrepancy and their relationship both to student funding and the delivery of educational services.

- Under current financial aid policy, a majority of independent students face limited opportunity for financial aid because they enroll for less than a full-time load. Although a reduced course load translates into less tuition per term, the total cost of their degree is substantially higher because less grant aid is available for part-time students and because their time to completion is prolonged.

- While more than two-thirds of all undergraduates are under the age of 24 and depend on their parents for financial support, Florida's colleges and universities increasingly serve an older, independent student population. Although the bulk of the baby boomer cohort is now in its mid-thirties or beyond, colleges and universities continue to see sustained demand among non-traditional students. Because many of these students failed to attend or finish college as dependents, the policies that serve independent students represent an important determinant of undergraduate access.

- The income distribution of students has major implications for higher education policy. Because college affordability is a strong determinant of access and choice, family income affects college participation and success. **Figure 3** underscores the clear correlation between income and the likelihood of earning a baccalaureate degree. Because family income is also a determinant of financial aid eligibility, the income distribution of students affects financial need and expected state support for aid. Finally, because family income is a primary source of funding for higher education both directly through tuition and indirectly through tax revenues, family resources affect the overall investment society is able to make in postsecondary education. The challenge policy makers face is in defining a tuition policy that ensures that college costs will not be a barrier to access for low income families while assessing reasonable charges to those who can afford to pay more. The income distribution of Florida's public universities clearly demonstrates an income capacity to support higher tuition.

- Differences in the income distribution of Florida's public and private sectors have strong implications for choice. Consistent with a growing body of national data, the median family incomes of state residents attending public and private institutions are similar. At the same time, a comparison of their distributions indicates an under-representation of families at private colleges with incomes between $45,000 and $60,000. To the extent that this erosion in sector choice for middle income families is attributed to state policy, Florida may be incurring greater costs to educate its residents than is either necessary or desirable, particularly because it is more expensive for the state to educate a resident at a public university than at a private college.

V. HOW FLORIDIANS PAY FOR COLLEGE

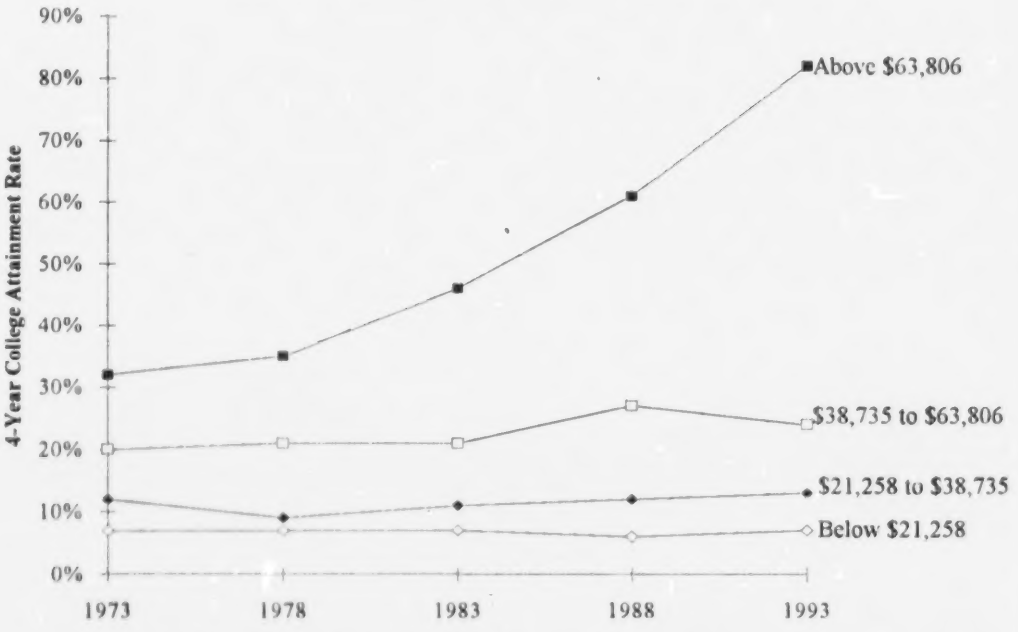
Family Contribution

Dependent Students: Parental Contributions Diverge From Federal Expectations

For the parents of dependents with family incomes under $30,000, actual contributions in all three systems exceeded contributions expected under Congressional Methodology--the federal needs

FIGURE 3

ESTIMATED CHANCES FOR A BACCALAUREATE DEGREE BY AGE 24, BY FAMILY INCOME QUARTILE 1973 TO 1993



SOURCE: **Postsecondary Education *Opportunity*, June 1994.**

analysis used to determine how much students and parents should contribute towards their education. On average, low income parents contributed between $500 and $1,500 more than the federally defined expectation. For families with incomes above $45,000, patterns of parental support were less consistent, with more than 40 percent of all parents contributing less than expected given their resources and less than 15 percent contributing more than expected.

A key aspect of the federal needs analysis is that families of identical means are expected to provide comparable levels of support, regardless of the cost of attendance. For Florida families, however, parent contributions differ substantially depending on the type of institution. Among low income families for example, parents of dependents attending private colleges contributed between $2,585 and $4,014 more than their state university and community college counterparts. On average, dependent students contribute about $950 towards their college education through employment and savings, with more than three-fourths of that contribution coming from current income as opposed to savings.

Independent Students: Income From Employment Is Key

Although financial aid (grants and loans) is a major funding source, particularly among full-time independent students with incomes under $15,000, employment represents the primary source of education funding for the majority of independent students. In aggregate, more than 70 percent of all independent students rely on employment to pay for some part of their attendance costs. Among part-time students, income from employment represents more than half of total attendance costs. On average, community college students attending full-time contributed

$1,100 towards their college education through current income, compared with $1,600 at state universities and $1,900 at private colleges.

Policy Issues

- The greater than expected parent contributions among low income families challenges the commonly accepted idea that parental contributions are progressively based, with parents of greater financial means contributing a greater proportion of income. In practice, low income parents contribute a greater proportion of family income through savings, current earnings, and parental debt than middle income parents.

- Without additional grant aid, greater than expected levels of parental support may represent the only alternative to assuming higher student debt levels, increased hours of student employment or reduced course loads.

- Although the federal needs analysis does not specify how expected contributions are to be met, the methodology assumes that most resources will come through a combination of current income and savings as opposed to debt. Family financial preparation for college therefore has a direct bearing on parent contributions and along with it the creation of a viable financial package.

Savings

Dependent Students: Few Families Prepare For Their Children's Education

Over two-thirds of all Florida families with dependents in college did not prepare for their son's or daughter's education. Among those Florida families who have saved, however, the average family has accumulated more than $10,000. As expected, the likelihood of saving for college rises dramatically with family income, but even among families with incomes above $60,000 slightly less than half have saved for college.

More than two-thirds of all parents surveyed were aware of the Florida Prepaid College Program, although families with incomes under $30,000 were less aware (53 percent). Among those families who saved for college, 16 percent used the Florida Prepaid College Program. For families earning less than $30,000 who saved, 21 percent used the program.

Over two-thirds of all Florida families with dependents in college did not prepare for their son's or daughter's education.

Independent Students: Less Than One-Fourth Save For College

Regardless of financial background, very few independent students prepare financially for their education. More than three-fourths of all independent students have not saved for college. Among those who have saved, the average independent student accumulated $5,000. For all three systems combined, only five percent used the Florida Prepaid College Program--although 55 percent of independent savers and non-savers were aware of the program.

Policy Issues

- Family savings for college should constitute an essential component of the higher education "funding partnership." Parent savings result in higher parent contributions and lower family debt burdens, as well as an increased likelihood that parents will sustain their support through to completion.

- In an environment in which real family incomes are falling while attendance costs continue to rise, reliance on debt as a primary source of funding may reach unacceptable levels. Current savings rates for college place an unrealistic burden on what most families can reasonably contribute from

current income to meet the expectations of the federal needs analysis. As a result, reduced parent savings potentially translates into greater debt levels for students and parents. The lack of financial preparation on the part of families represents a critical issue relating both to funding and to student outcomes.

- Although awareness of the Florida Prepaid College Program is lower among low income families, low income families who have saved for college are among the most likely to use prepaid tuition. This suggests further opportunity to reach those families most in need of preparing for college attendance.

- Savings objectives may not be realized without more aggressive policy intervention. Specifically, policy makers must address whether existing financial aid policies inhibit rather than reward savings, in the sense that any funds accumulated may reduce eligibility for aid.

VI. FINANCIAL AID

Who Applies?

Dependent Students: Not All Needy Families Apply

Approximately 67 percent of all full-time private college students, 45 percent of all full-time state university students, and 37 percent of all full-time community college students applied for financial aid during the 1992-93 academic year. Remarkably, even at family incomes of less than $30,000, approximately 26 percent of state university students, 11 percent of private college and 39 percent of community college dependent students did not apply for financial assistance.

Although a small portion of low and moderate income students are ineligible due to individual circumstances, most of these families would have received some form of assistance including federal, state or institutional grants, work study and/or subsidized loans. Among the principal reasons low income families did not apply for aid are the following: 20 percent felt they did not need or want assistance; 19 percent could not finish the application; 17 percent believed they were ineligible; and 14 percent throught it was not worth the trouble or did not get around to it.

Independent Students: Opportunity For More Students To Receive Aid

Among independent students taking at least a 6 credit load, more than half apply for financial aid. Among those attending full-time, approximately 74 percent of all private college, 64 percent of all public university and 73 percent of all community college students applied for financial aid. As with low income dependent students, a substantial number of needy independent students do not seek assistance. Among full-time independent students with incomes under $15,000, approximately 21 percent of public university students, 12 percent of private college and 19 percent of community college students did not apply for financial aid. For a majority of these "non-applicants," most have self-selected out of applying under the assumption that they either were ineligible (16 percent), did not need the aid (19 percent), or that the assistance was not worth the effort (11 percent).

Policy Issues

- In the same way that family financial preparation contributes to access and desired student outcomes, grant aid contributes as well. A concerted effort to strengthen Florida's financial aid programs must therefore address the system for providing financial aid as well as the needs analysis itself.

- As attendance costs continue to rise, the financial aid "safety net" will become increasingly important to students in all sectors at all credit loads. To ensure that financial aid achieves its stated objectives, it is essential that all potentially eligible families apply for assistance. To help reach all potentially eligible students, greater in-

tervention is called for on the part of K-12 and postsecondary institutions and administrators through early outreach, better communication, additional aid and student counseling staff and through continued improvement of the financial needs analysis and financial aid application process.

Grant Aid

Need-Based Aid: Unrealistic Expectations For Those Least Able To Pay

The provision of need-based grant aid is crucial in ensuring access and choice for all students. Through a combination of federal, state, institutional and private sources, college costs are significantly reduced for needy students. For full-time students attending private colleges where financial need is greatest, for example, students with family incomes under $30,000 receive more than $4,700 in grant aid resulting in a 36 percent reduction in attendance costs. For a student of similar financial means attending a public university or community college, the provision of grant aid reduces attendance costs by approximately 28 percent. For wealthier students, both the level of grant aid and its impact on reducing attendance costs is diminished. For students from families with incomes above $60,000, grant aid reduces attendance costs by 14 percent at private institutions and seven percent at public colleges and universities.

For independent students, the provision of grant aid is substantially lower. In large part, this difference is due to reduced credit loads, which results in either disproportionately reduced awards or ineligibility altogether. Even at full-time loads, however, independent students tend to have a smaller proportion of their attendance costs paid for through grant aid than dependent students.

Despite a progressive distribution of grant aid overall, the remaining costs faced by moderate and low income families after receipt of grant aid represents a pattern of support that places unrealistic expectations on those least able to pay. This differential burden is illustrated in **Figure 4.** For a student from a family with income under $30,000 attending a private college the remaining cost of attendance after receipt of grant aid represents the equivalent of 57 percent of family income, compared with 17 percent for families with income over $60,000. Similarly for a student attending a public university, remaining cost for a low income family represents 29 percent of income compared with nine percent for a middle or upper income family.

Florida's Undergraduate Scholars Program is the largest state merit-based program in the country.

Merit-Based Aid: Florida is Number One

Along with need-based grant aid, merit aid provides significant support for Florida families as well. According to the survey, approximately 17 percent of all full-time students with family incomes above $65,000 attending public four-year institutions received grants averaging $2,200. Given an average attendance cost of $8,000, only a fraction of these grants were awarded on the basis of financial need.

Florida's Undergraduate Scholars Program, with a maximum award of $2,280 and $30.6 million in total funds in 1993-94, is the largest state merit-based program in the country. According to the most recent National Association of State Scholarship and Grant Programs (NASSGP) Survey published in May, 1994, Florida's merit programs represented over 30 percent of all state grant dollars distributed nationwide based on merit. Since it inception in 1980, the Undergraduate Scholars Program has grown dramatically both in terms of recipients and dollars. Over 10,997 students received awards totalling $22,994, 476 in 1992-93. Over the past ten years the number

of students has increased 413 percent and funding has grown 1,886 percent. While Florida can be proud of its commitment to the recognition of academic ability, the results of this policy should be carefully assessed. In the Fall of 1992, 3,413 entering state university students received Undergraduate Scholars awards. This represented 30.5 percent of the Florida first-time-in-college students entering a state university, many of whom had incomes in the middle and upper ranges.

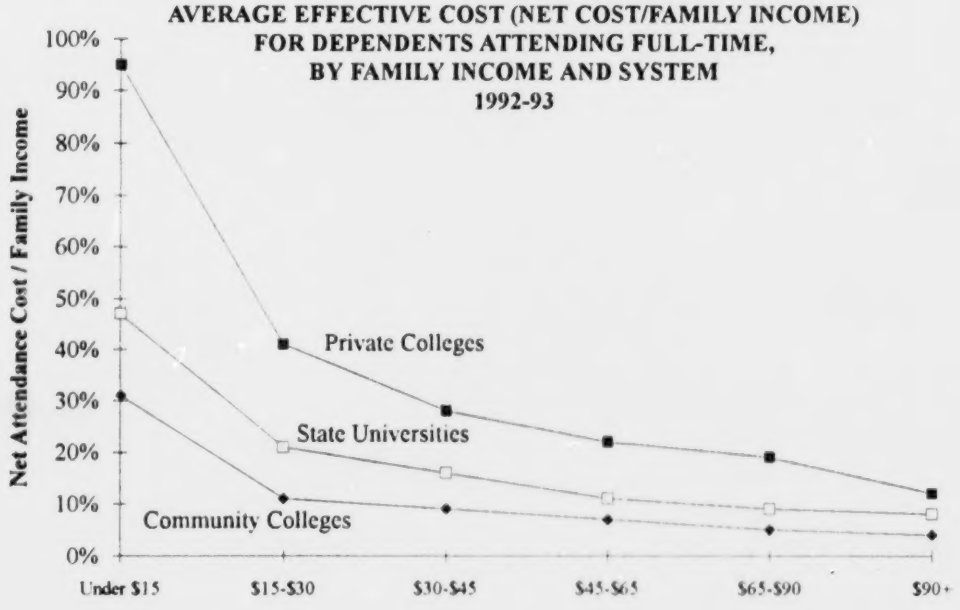
The racial/ethnic composition of Undergraduate Scholars Fund recipients also warrants examination. In 1992-93, 2.2 percent of the recipients were black, a proportion significantly lower than their share of public high school graduates (21 percent) or undergraduate enrollment (7 percent). Hispanics represented 7.4 percent of the undergraduate scholars, 12 percent of high school graduates and approximately 11 percent of the undergraduates in public colleges and universities. Further analysis is needed of the factors which are contributing to this under-representation and possible remedies identified. For example, if merit were redefined to include the top ranking students from each high school in the state, students from all social and economic backgrounds might be more likely to have an opportunity to compete in the scholarship program.

Policy Issues

- Although existing levels of grant aid significantly reduce attendance costs, particularly for moderate and low-income students, need-based aid fails to achieve a reasonable cost parity between sectors. As a result, a median-income family must pay $6,000 more to attend a private college for one year than to attend a public univer-

FIGURE 4

AVERAGE EFFECTIVE COST (NET COST/FAMILY INCOME) FOR DEPENDENTS ATTENDING FULL-TIME, BY FAMILY INCOME AND SYSTEM 1992-93



SOURCE: Florida Family Funding Survey, Postsecondary Education Planning Commission, 1993

sity. This difference in cost is consistent with the finding that families with incomes between $45,000 and $60,000 are substantially under-represented at private institutions.

• While grant aid distribution appears to be progressive at first glance, it is clear that insufficient resources are available once net costs of attendance are considered. If the financial aid system is to be truly progressive based on actual costs of attendance, more resources must be funneled into need-based aid.

• During the past ten years, state grant aid has shifted from an emphasis on need to merit. In 1983-84, $14.028 million (53.8%) of Florida's state financial aid was need-based. In 1992-93, while state need-based dollars had increased to $29.628 million, their proportion had dropped to 38.9 percent. In spite of statutory policy (S. 240.437(2)(a), F.S.) calling for state financial aid to be provided primarily on the basis of need, Florida provides more state funded merit aid, principally through the Undergraduate Scholars Program, than any other state in the nation. The State should consider whether providing outstanding academic achievement awards to over 30 percent of the residents entering the state universities serves Florida's policy objectives.

Between 1990 and 1993, total dollars borrowed through guaranteed student loans in Florida more than doubled.

Loans

Dependent Students: Debt Plays A Growing Role

In effect, student loans are the "catch all" which complete the financial aid package after family contributions and receipt of grant aid. Under current patterns of support, this approach to student aid packaging results in a greater incidence of borrowing and substantially higher average debt levels among lower income students.

At private colleges, where financial need is greatest, nearly two-thirds of all full-time students from families with incomes under $30,000 take out loans to help pay for college, borrowing on average about $5,000 annually. For low income students attending state universities, 34 percent have student loans averaging just under $2,900. At community colleges where attendance costs are considerably lower, 16 percent of all low income students borrowed with average loans of $1,960. While the incidence of borrowing decreases with income, a significant proportion of middle income students have loans that exceed maximum Stafford loan amounts. Given that middle income families typically receive less grant aid and are not as a group saving for college, we can expect loan amounts to continue to grow as college costs rise.

Half of all parents of dependents anticipate that they will be unable to keep pace with rising college costs before their son or daughter finishes school. Among parents with family incomes under $30,000, two-thirds expect that their contributions will either remain constant (and therefore lag with inflation) or actually decline.

Independent Students: Debt Levels Higher Than Dependents

For independent students attending full time, both the incidence of borrowing and average loan levels are substantially higher than for dependents. For example, more than 43 percent of all full-time independent students at state universities and nearly 55 percent at private colleges incurred loans during the 1992-93 year. Moreover, the annual debt levels of independent students are on average $1,000 to $2,000 higher than those of their dependent counterparts.

The pattern of diminished or constant future support which independent students expect to be able to provide closely matches that of dependents. For the three systems combined, nearly two-thirds of those with incomes under $15,000 anticipate that they will not keep pace with rising attendance costs.

Policy Issues

- Between 1990 and 1993, total dollars borrowed through guaranteed student loans in Florida more than doubled, from $168 million to $347 million. Loan volume for the first six months of 1993-94 has already exceeded the total for the previous year. Although most of the increase in volume is due to changes in the federal needs analysis that increased eligibility, growing reliance on debt as a primary source of support is only a viable option if increased earning potential awaits those who borrow. Current labor market conditions do not appear to support this assumption.

- In the event that other funding sources are not available, the relatively high debt levels of low income families could rise even further. In lieu of additional debt, low income students may be precluded from access altogether or faced with reduced credit loads which could further reduce grant aid while prolonging time to completion.

VII. SUMMARY

This report has addressed the cost of college in Florida, the various sources of assistance available to cover these costs, the financial circumstances of our students, and how families and students are actually paying these costs.

The survey on which the report is based has resulted in a database that will serve as a springboard for development of a postsecondary finance simulation model over the next two years. The model will provide state and institutional decision makers with a tool to examine the interrelationships among tuition, financial aid, instructional costs and student performance.

The report has also led to the following key findings and related recommendations which demand immediate attention.

Key Findings and Recommendations

Analysis of the findings identified four areas--access, cost, financial aid, and savings and loans -- where action is needed

Access

- Access to postsecondary learning is at jeopardy for low income Floridians who pay a much greater share of their income and incur significantly more debt for their education than those with relatively higher incomes. This is true even after taking into account grant aid provided from all sources - federal, state and institutional.

- There is a direct correlation between economic status and college enrollment and completion.

- The survey refutes the notion that the private college sector is exclusively limited to the well-to-do. The family income characteristics of resident students attending public and private four-year colleges in Florida do not differ significantly.

Recommendation

1. Funding for need-based aid should rise to a level to adequately serve all qualified applicants with awards that keep pace with the cost of education. Any increase in need-based aid should not be at the expense of the State's merit programs.

Cost

- Florida ranks 44th nationally in tuition and fees charged to undergraduate residents at pub-

lic baccalaureate institutions. These fees ($1,765 annually) are more than $1,000 less than the national average for 1993-94.

• Even with state subsidized programs such as the Florida Resident Access Grant for the private sector, Florida students enrolled in private colleges and universities cost the State significantly less than those enrolled in the public institutions.

Recommendations

2. A schedule for moving tuition charges in the public sector to at least the national average within the next five years should be adopted. Parents and students should be able to plan for these increases with the expectation that they will pay a reasonable share of educational costs based on their financial ability to pay. Increased tuition revenues should not be used to supplant existing state support. Instead, a significant share of any increased revenue should be used for need-based financial aid to encourage access. Current trends suggest that increasing public sector tuition should reduce the growing gap between public and private college charges with the potential for enhancing student choice.

3. The State should promote access to postsecondary education through use of the independent sector by expansion of such strategies as the Florida Resident Access Grants and academic program contracting.

Financial Aid

• The State's commitment to need-based aid has not kept pace with increases in eligible applicants and does not reflect the statutory priority placed on this form of assistance. The proportion of state financial aid dedicated to need in Florida has declined from 54 percent to 39 percent over the past ten years.

• Florida is without equal in its support for merit aid. Florida's merit programs represent over 30 percent of all state funded merit aid nationwide. In 1992-93, the Undergraduate Scholars Program provided awards to 30.5 percent of the Florida residents entering the State University System.

• Significant numbers of Florida families and students likely to receive financial aid are not applying. Primary reasons cited were lack of knowledge of aid availability and difficult procedures for applying for assistance.

Almost 70 percent of Florida families are not saving for college.

Recommendations

4. Florida's merit-based aid programs require immediate attention with regard to the income and ethnic characteristics of the applicants and recipients and the extent to which the programs are meeting their stated objectives.

5. An examination is needed of the format and content of financial aid information as well as the methods used to distribute information through both the K-12 and postsecondary systems. In addition, a renewed effort to make the financial aid application process more user-friendly is essential.

Saving and Loans

• Almost 70 percent of Florida families are not saving for college.

• Dependence on loans to students and parents to finance access to postsecondary education is mushrooming. Between 1990 and 1993, total dollars borrowed through guaranteed student

loans in Florida more than doubled. Graduates may be burdened with levels of debt that are not viable given the current labor market.

Recommendations

6. The Prepaid College Program should continue its efforts to encourage increased commitment to savings for families in all income categories including those with low incomes. Any perceived or real disincentives for savings found in existing financial aid policies should be removed.

7. An assessment of the loan indebtedness of students in all postsecondary sectors should be undertaken and strategies identified to hold debt burden to acceptable and financially viable levels in view of current labor market conditions. This should be a cooperative effort involving the Commission, the postsecondary sectors, the Office of Student Financial Assistance and the Council of Student Financial Aid Advisers.

APPENDIX A

Florida Family Funding Survey

Key Findings

FLORIDA FAMILY FUNDING SURVEY
KEY FINDINGS

KEY QUESTION	DEPENDENT STUDENTS(under age 24)/FAMILIES	INDEPENDENT STUDENTS (over age 24 or financially self sufficient)/FAMILIES
WHO ARE OUR STUDENTS?	1% do not seek a degree; 6% seek AA degree; 92% seek BA degree; 33% are first generation college students (neither parent has degree); 33% of 4-year students live with parents; 84% 2-year live with parents	2% do not seek a degree; 16% seek AA degree; 80% seek BA degree; 59% are first generation college students (neither parent has a degree); 18% live with their parents
WHAT IS THE MEDIAN FAMILY INCOME?	Student in public 4 year, family income = $47,900 Student in private 4 year, family income = $43,250 Student in community college, family income = $34,700	Student in public 4 year, family income = $21,125 Student in private 4 year, family income = $27,000 Student in community college, family income = $19,700
WHO SAVES FOR COLLEGE?	68% of all families did not save any money for college; of those who did save, 16% of all families (and 21% of savers earning less than $30,000) used the Florida Prepaid College Program (69% of all savers and non-savers were aware of the program)	77% of all independent students did not save any money for college; of those who did save, 5% used the Florida Prepaid College Program (55% of all savers and non-savers were aware of the program)
WHAT DO FAMILIES CONTRIBUTE TOWARD COLLEGE?	Families earning less than $15,000/year contribute between $500 to $1,500 more than federally defined expectations	71% of students rely on employment to pay for some college expenses For part-time students, employment pays 53% of attendance costs
WHO ARE OUR FULL-TIME STUDENT AID APPLICANTS?	**Full-time students that applied for aid, by sector** Student at public 4 year..45%; with family income under $30,000..74% Student at private 4 year..67%; with family income under $30,000..89% Student at comm. college..37% with family income under $30,000..61%	**Full-time students that applied for aid, by sector** Student at public 4 year..64%; with family income under $15,000..79% Student at private 4 year..74%; with family income under $15,000..88% Student at comm. college.73%; with family income under $15,000..81%
WHAT REASONS DO FAMILIES GIVE FOR NOT APPLYING FOR FINANCIAL AID?	**Of families with incomes under $30,000 who didn't apply:** 18% couldn't finish the application or didn't know how 17% thought they were ineligible 20% thought that they didn't need it or didn't want it 13% thought it wasn't worth the trouble or just didn't get around to it	**Of families with incomes under $15,000 who didn't apply:** 11% couldn't finish the application or didn't know how 16% thought they were ineligible 21% thought that they didn't need it 15% thought it wasn't worth the trouble or just didn't get around to it

KEY QUESTION	DEPENDENT STUDENTS(under age 24)/FAMILIES		INDEPENDENT STUDENTS (over age 24 or financially self sufficient)/FAMILIES	
WHICH FULL-TIME STUDENTS BORROW, AND HOW MUCH DO THEY BORROW?	**WHO BORROWS?**	**AVG. ANN. LOAN**	**WHO BORROWS?**	**AVG. ANN. LOAN**
	Attending public 4 year		Attending public 4 year	
	Income under $30,000 = 34%	$2,867	Income under $15,000 = 51%	$3,094
	Income between $30-60,000 = 25%	$2,557	Income between $15-40,000 = 42%	$5,234
	Income over $60,000 = 5%	$3,813	Income over $40,000 = 22%	$3,714
	Attending private 4 year		Attending private 4 year	
	Income under $30,000 = 65%	$4,995	Income under $15,000 = 74%	$6,100
	Income between $30-60,000 = 47%	$3,580	Income between $15-40,000 = 54%	$5,644
	Income over $60,000 = 16%	$3,413	Income over $40,000 = 29%	$5,390
	Attending community college		Attending community college	
	Income under $30,000 = 16%	$1,960	Income under $15,000 = 32%	$2,188
	Income between $30-60,000 = 10%	$2,941	Income between $15-40,000 = 22%	$3,121
WHO RECEIVES GRANT AID, AND HOW MUCH DO THEY RECEIVE?	**AVG. AMT. OF GRANT AID**	**AVG. DISC. FROM GRANT AID**	**AVG. AMT. OF GRANT AID**	**AVG. DISC. FROM GRANT AID**
	Attending public 4 year		Attending public 4 year	
	Income under $30,000, avg. grant = $1,585	27% reduction	Income under $15,000, avg. grant = $1,312	25% reduction
	Income over $60,000, avg. grant = $530	7% reduction	Income over $40,000, avg. grant = $183	5% reduction
	Attending private 4 year		Attending private 4 year	
	Income under $30,000, avg. grant = $4,717	36% reduction	Income under $15,000, avg. grant = $2,723	25% reduction
	Income over $60,000, avg. grant = $2,307	14% reduction	Income over $40,000, avg. grant = $824	9% reduction
	Attending community college		Attending community college	
	Income under $30,000, avg. grant = $987	28% reduction	Income under $15,000, avg. grant = $1,240	32% reduction
	Income over $60,000, avg. grant = $305	7% reduction	Income over $40,000, avg. grant = $0	0% reduction
WHAT IS THE REMAINING COST OF ATTENDANCE AFTER THE RECEIPT OF GRANT AID (WHAT IS THE NET COST OF ATTENDANCE)?	**REMAINING COST AFTER GRANT AID**	**REMAINING COST AS A % OF FAMILY INCOME**	**REMAINING COST AFTER GRANT AID**	**REMAINING COST AS A % OF FAMILY INCOME**
	Attending public 4 year		Attending public 4 year	
	Income under $30,000, avg. cost = $4,365	Cost = 29% of income	Income under $15,000, avg. cost = $3,849	Cost = 43% of income
	Income over $60,000, avg. cost = $7,518	Cost = 9% of income	Income over $40,000, avg. cost = $3,568	Cost = 6% of income
	Attending private 4 year		Attending private 4 year	
	Income under $30,000, avg. cost = $8,538	Cost = 57% of income	Income under $15,000, avg. cost = $8,143	Cost = 90% of income
	Income over $60,000, avg. cost = $13,987	Cost = 17% of income	Income over $40,000, avg. cost = $7,873	Cost = 14% of income
	Attending community college		Attending community college	
	Income under $30,000, avg. cost = $2,514	Cost = 17% of income	Income under $15,000, avg. cost = $2,596	Cost = 29% of income
	Income over $60,000, avg. cost = $4,202	Cost = 5% of income	Income over $40,000, avg. cost = $2,762	Cost = 5% of income

KEY QUESTION	DEPENDENT STUDENTS(under age 24)/FAMILIES	INDEPENDENT STUDENTS (over age 24 or financially self sufficient)/FAMILIES
WILL FAMILIES BE ABLE TO KEEP UP WITH RISING COSTS?	63 percent of all families earning under $30,000 say they will not be able to maintain the same percentage level of financial support through graduation.	65 percent of all independent students earning under $15,000 say they will not be able to maintain the same percentage level of support through graduation.

APPENDIX B

Methodology

Methodology

Background

Proviso language accompanying Specific Appropriation 417B of the 1993 General Appropriations Act directed the Commission to address how Floridians finance their postsecondary education. Specifically, the proviso called the Commission to:

> examine the family characteristics of undergraduate students attending baccalaureate degree granting colleges and universities in Florida. Education and income levels, as well as the methods and proportionate mix of resources used to finance the postsecondary education of these students, shall be given primary attention. The Commission shall cooperate with both public and independent colleges and universities in the design and implementation of the study including the development of a stratified student sample on which the analysis will be based. A progress report shall be provided to the legislature and the State Board of Education by December 1, 1993; and a final report shall be submitted by June 1, 1994.

The Chairman of the Commission assigned this study to the Finance Committee, chaired by Clyde Hobby. Other members included: Ivey Burch, Vilma Diaz, Ramiro Inguanzo, James Talley and Tully Patrowicz. In conducting the study, the Finance Committee was greatly assisted by Mr. Brian Zucker, President of the Human Capital Research Corporation, and the staff of the Survey Research Laboratory of Florida State University, particularly Ms. Lizette Kelly, Assistant Director. In addition, the cooperation of the sector boards and individual postsecondary institutions contributed significantly to the quality of the survey results.

Sample Frame and Drawing Sample

The Florida Family Funding Survey is based on a proportional stratified random sample drawn from the universe of state residents who attended a Florida postsecondary college or university during the 1992-93 academic year. For those students under age 24 the survey was administered to the students' parents. For those students age 24 or older or who were known to be legally independent (for purposes of financial aid eligibility) the survey was administered directly to the student.

To ensure that all segments of Florida's undergraduate student body were represented in the survey, specified quotas of students were drawn based on five characteristics of the attending population:

1) Institution: 28 Community Colleges; 9 Public Four-Year; and 23 Private Baccalaureate Granting Institutions

2) Age/Dependency Status: Dependents (Under Age 24); and Independent (Age 24+)

3) Credit-Load: Full-Time (12+ credits); and Less than Full-Time (1-11 credits)

4) Academic Level: Lower Division (Freshman, Sophomore); and Upper Division (Junior, Senior)

5) Ethnic/Racial Group: White; African American; Hispanic; and other

Collectively, these five characteristics provided a total of 1,278 student cohorts (a cohort would be those students who, for example, are dependent, white, part-time, lower-division attending a particular institution).

To facilitate comparisons between sectors, samples of approximately 3,000 students were drawn for each of Florida's three systems (Community Colleges, Public, and Private Baccalaureate Granting) in proportion to the observed number of students in each cohort. In addition, an oversample of approximately 1,000 African American and Hispanic students was added to permit more detailed analysis of survey responses controlling for ethnic/racial group.

Although stratified sampling is more complex than random sampling, this procedure provided several advantages. First, proportionally defined sample quotas ensure more accurate representation of all segments of the attending population. This is particularly important for those cohorts that contain only a few students and may be otherwise under-represented. Second, an oversample of students of color ensures that a sufficient number of students will be represented to permit analysis across a critical demographic dimension. Third, predefined quotas permit greater control in the follow-up of non-respondents resulting in more efficient use of data collection resources and a reduced non-respondent bias. Finally, the proportional stratification allows for detailed reweighing of the sample after data collection which ensures balanced representation across all segments of the student population.

Fielding The Data Collection

The Florida Family Funding survey utilized three successive mail waves set two weeks apart followed by a telephone wave that allowed for as many as six attempts to contact the respondent before terminating a record.

In preparing the sample for mailing and as part of the data collection process (fielding the survey), it was determined that approximately one-eighth of the sample records were invalid and hence eliminated for one of three reasons: 1) respondents were not Florida residents; 2) respondents were not enrolled in undergraduate credit-based programs that offered a formal award (degree, diploma or certificate); and 3) The students did not actually attend college during the 1992-93 academic year. Finally, as of February 3, an estimated 1,300 surveys were returned by the postal service with undeliverable mailing addresses. As a result, the original sample of 10,000 records was reduced to approximately 8,500 potentially valid respondents.